



**United States Postal Service®**

**Response to Independent Validation of  
Service Performance Measurement  
Audit Design**

Audit Compliance Response

FY2018 Quarter 1

March 14, 2018

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## I. Summary

This report presents the USPS response to the Independent Validation of the USPS Internal Service Performance Measurement (SPM) for Quarter 1 (Q1) of fiscal year 2018 (FY18).

## II. Mitigation Plan

USPS has evaluated the results of the Independent Validation of the USPS Internal Service Performance Measurement (SPM) for Quarter 1 (Q1) of fiscal year 2018 (FY18) and has formulated a mitigation plan for the six measures that were partially achieved. All other measures were achieved.

The subsequent sections describe, in further detail, the mitigation plan for measures 2, 19, 20, 23, 25, and 26.

### **Measure 2: First Mile—Carrier sampling weekly compliance rates should consistently exceed 80 percent for most districts**

**Quarter 1 Result: Partially Achieved.**

#### **Mitigation Plan:**

USPS will continue to measure and report on weekly First Mile compliance rates for each district throughout the quarter. For districts that fall below the 80% compliance rate, HQ is partnering with Delivery Operations to implement a certification process to assess whether First Mile sampling procedures are being correctly performed by carriers and to identify opportunities for operational improvements. The certification process is planned for implementation during Q3. Results of the certification process and progress toward achieving the 80% compliance target will be tracked and reported on a weekly basis. Additionally, USPS has implemented a monitoring capability to proactively inform HQ personnel when a district falls below the 80% compliance target during the quarter. HQ personnel will then alert the necessary districts to remediate the decline in compliance rate.

## **Measure 19: First Mile—Most response rates should exceed 80% at a district level**

**Quarter 1 Result: Partially Achieved.**

### **Mitigation Plan:**

USPS will continue to measure and report on quarter-to-date First Mile compliance rates for each district and ZIP3 throughout the quarter. For districts that fall below the 80% compliance rate, HQ is partnering with Delivery Operations to implement a certification process to assess whether First Mile sampling procedures are being correctly performed by carriers and to identify opportunities for operational improvements. The certification process is planned for implementation during Q3. Results of the certification process and progress toward achieving the 80% compliance target will be tracked and reported on a weekly basis. Additionally, USPS has implemented a monitoring capability to proactively inform HQ personnel when a district falls below the 80% compliance target during the quarter. HQ personnel will then alert the necessary districts to remediate the decline in compliance rate.

## **Measure 20: First Mile—Coverage ratios should meet acceptable thresholds at the 3-digit ZIP Code levels for districts with poor coverage**

**Quarter 1 Result: Partially Achieved.**

### **Mitigation Plan:**

USPS will achieve this measure by implementing the mitigation plan for measure 19.

## **Measure 23: Processing Duration—At least 70% of the volume is measured for each product**

**Quarter 1 Result: Partially Achieved.**

### **Mitigation Plan:**

USPS continues to work towards increasing the volume of mail in measurement for each mail product. Starting in FY17 and continuing in FY18, USPS has launched a comprehensive effort across Headquarters (HQ), Field Operations (Areas and Districts),

and Mail Entry to develop a mitigation plan for each exclusion reason. The following steps have been taken:

- Ongoing biweekly/monthly meetings between HQ, Area coordinators and their Districts to develop action plans for mailers with high exclusion rates.
- Continuing to work with the field to reduce the amount of mail that falls out of measurement due to lack of Start-the-Clock.
- Continuing to review business rules of each exclusion reason to reduce the percentage of mail being excluded.
  - In Q1 FY18, USPS eliminated the Incorrect Entry Facility exclusion after detailed evaluation of the business rules.
- Continuing to develop resolutions for each exclusion reason to reduce the percentage of mail being excluded.
  - Corrected External Labeling List to reduce Invalid entry point for entry discount exclusions.
  - Corrected FDB locale key and CSAs to reduce No Start-the-Clock exclusions.

The concerted effort to increase Mail in Measurement has resulted in significant improvement over the past 18 months.

Mail in Measurement by FY: FY16 = 71.73%, FY17 = 74.88%, FY18 (Dec YTD) = 78.50%

The characteristics and make-up of Bound Printed Matter (BPM) flats mail sometimes presents a processing challenge on flat sorter machines. When this happens, the mail may be manually sorted to the 5 digit and therefore lack visibility. HQ is working with the Area coordinators to identify opportunity to gain more visibility on BPM.

Measure 23 threshold of 70% for BPM flats is difficult to achieve and is continuing to be re-assessed.

## **Measure 25: Last Mile—Most response rates should exceed 80% at the District level**

**Quarter 1 Result: Partially Achieved.**

### **Mitigation Plan:**

USPS will continue to measure and report on quarter-to-date Last Mile compliance rates for each district and ZIP3 throughout the quarter. For districts that fall below the 80%

compliance rate, HQ is partnering with Delivery Operations to implement a certification process to assess whether Last Mile sampling procedures are being correctly performed by carriers and to identify opportunities for operational improvements. The certification process is planned for implementation during Q3. Results of the certification process and progress toward achieving the 80% compliance target will be tracked and reported on a weekly basis. Additionally, USPS has implemented a monitoring capability to proactively inform HQ personnel when a district falls below the 80% compliance target during the quarter. HQ personnel will then alert the necessary districts to remediate the decline in compliance rate.

### **Measure 26: Last Mile—Coverage ratios should meet acceptable thresholds at the 3-digit ZIP Code levels for districts with poor coverage**

**Quarter 1 Result: Partially Achieved.**

**Mitigation Plan:**

USPS will achieve this measure by implementing the mitigation plan for measure 25.